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ABSTRACT

The first report in a series about state education agency (SEA) operations provides a baseline statistical description of agency functions and a limited set of data to aid in the management and support of SEA functions. Data on SEA revenue, expenditures, and personnel were aggregated and interpreted in five categories of public school membership to provide a comparative baseline for individual states. Alaska, the District of Columbia, and Hawaii are excluded from the analysis. Data are analyzed within several areas of major activity: service to local education agencies (LEAs), operation of schools, and vocational rehabilitation. Service to LEAs is further categorized by general management, internal services, planning and research, consultative services, and distribution of resources. The text is accompanied by 5 figures and 12 tables. The appendix describes the methodology and limitations of the data and contains a glossary and a copy of the questionnaire sent to the SEAs. (MLF)

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STATE EDUCATION AGENCY OPERATIONS

REVENUES, EXPENDITURES, AND EMPLOYEES, FISCAL YEARS 1979 AND 1980

EA 015680

NCES 82-116

by
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U.S. Department of Education

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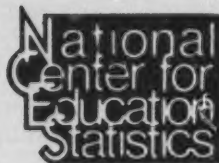
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"The purpose of the Center shall be to collect and disseminate statistics and other data related to education in the United States and in other nations. The Center shall . . . collect, collate, and, from time to time, report full and complete statistics on the conditions of education in the United States; conduct and publish reports on specialized analyses of the meaning and significance of such statistics; . . . and review and report on education activities in foreign countries."--Section 406(b) of the General Education Provisions Act, as amended (20 U.S.C. 1221e-1).

Foreword

With the advice and support of the Chief State School Officers through their Committee on Evaluation and Information Systems (CEIS) a data plan was developed by the National Center for Education Statistics (NCES) to collect information on state education agency (SEA) operations. This is the first report in the series about SEA operations. Data for fiscal years 1979 and 1980 are the basis of the report.

Need for data to support management decisions by SEA administrators and other state and federal agencies has been affected by recent events. The function of SEA's was impacted by recently legislated standards of quality, increasing public demand for excellence in education, court dictates for equity in financial support of public education within states, and modifications of State/Federal responsibilities emerging from the Economic Recovery Act of 1981. Declining student membership and competition with other government agencies for resources are having an unprecedented impact on the operation of public education.

This report provides a baseline statistical description of education agency functions and a limited set of data to aid in the management and support of SEA functions. Data were aggregated and interpreted for five membership strata of states to provide a comparative baseline for use by individual states. State education agency revenue, expenditures, and personnel for operations are included. Alaska, the District of Columbia, and Hawaii are excluded from the analysis.

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August 1982

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The cooperation of State officials including the State project directors of the common core data plan and the guidance of Norman D. Beller in NCES are gratefully acknowledged.

How to Obtain More Information

Information about the Center's statistical program and a catalog of NCES publications may be obtained from the Statistical Information Office, National Center for Education Statistics, 400 Maryland Avenue SW. (Mail Stop 1001), Washington, D.C. 20202, telephone (301) 436-7900.

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Highlights

Revenues of State Education Agencies

- In 1980, revenue for state education agency (SEA) operations totaled approximately \$1.2 billion, or \$28.14 per pupil in public school membership after excluding revenues for vocational rehabilitation services.
- Federal sources constituted 35.1 percent of fiscal 1980 revenues for SEA operations and accounted for 51.7 percent of revenues among agencies with less than 150,000 public school pupils.
- The net revenues to SEAs, reflecting adjustments for change in the Consumer Price Index, declined 1.5 percent from fiscal year 1979 to fiscal year 1980.
- Revenues for SEA operations excluding vocational rehabilitation varied more than 227 percent among groups of states stratified by membership, ranging from \$17.74 per pupil in states with 2,000,000 or more pupils to \$40.30 per pupil among states of 150,000 to 499,999 pupils.
- SEAs varied in function and extent of services: 16 reported operating vocational education centers; 24 reported operating special education centers; several made direct capital outlays for buses and/or their operation; and 18 provided vocational rehabilitation services. Consultative service expenditures per pupil varied as much as 198 percent among groups of states with similar pupil membership.

Expenditures of State Education Agencies

- In fiscal year 1980, SEAs of the 48 contiguous States expended approximately \$1.3 billion or approximately \$32.27 for each pupil in public school membership for services to local education agencies (LEAs), the operation of schools, and vocational rehabilitation.
- Approximately 63 percent of SEA expenditures, \$20.28 per pupil, were for services primarily to LEAs.
- The major expenditure function among services to LEAs was consultative services which constituted approximately 34 percent of those expenditures. The expenditure per pupil for consultative services was \$6.28 in fiscal year 1980.
- General management and planning/research functions represented approximately 6 percent each of the expenditures for services to LEAs.
- SEA expenditures for services primarily to LEAs declined slightly more than 2 percent after adjustment for the Consumer Price Index increase from fiscal year 1979 to fiscal year 1980. Per pupil expenditures increased approximately 0.4 percent after adjustment for the Consumer Price Index increase.
- Expenditures for all SEA functions declined 1.2 percent after adjustments for the Consumer Price Index change of 13.3 percent from fiscal year 1979 to fiscal year 1980.

Employees of State Education Agencies

- In 1980, there were approximately 47,000 persons employed by SEAs with an average expenditure of \$17,900 per employee for salaries and benefits.
- In fiscal year 1980, approximately 27,300 or 58 percent of the SEA employees provided services primarily for LEAs.

Introduction

Data in most of the tables and figures of this report were arranged by groups of states with similar numbers of public school membership. This organization of state data will provide the reader with information on a selected state to make comparisons with the data means from states with a public school membership of similar magnitude. The number of states in each public school membership interval is shown in table 1.

Table 1. Stratification of States, by public school membership: Fiscal year 1980

Public school membership	Number of states	Number of students fall 1979 ¹
Total*	48	41,215,000
2,000,000 or more	5	13,958,000
1,000,000 to 1,999,999	9	12,005,000
500,000 to 999,999	15	10,532,000
150,000 to 499,999	13	4,023,000
Less than 150,000	6	697,000

*Does not include Alaska, the District of Columbia, and Hawaii with a combined total of 363,000 students.

¹The October 1979 membership for each State is shown in table B-2 of the appendix.

Data were reported on a per-pupil basis to make possible comparisons between groups of states, and comparisons of individual states with the group means of similar state agencies.

Data for Alaska, the District of Columbia, and Hawaii, were excluded from the analyses. The data for Alaska were not available at the time of data analysis. Hawaii and the District of Columbia perform the combined functions usually attributed to state education agencies and to local education agencies; therefore, their expenditures and personnel allocations are not comparable with other state education agencies.

Source of Data

The primary source of information was the State Education Agency Report, *Common Core of Data — Part VII*, fiscal years 1979 and 1980. Forty-nine states filed a report in 1980 and 44 states filed a report in 1979. States not reporting were identified and the method of imputation for missing reports and missing items is described in appendix A.

Comparability of State Education Agencies

In addition to differences in pupil membership of public schools as shown in figure 1, SEA operations varied in function. These variations affected revenues, expenditures, and quantity and function of personnel employed by state agencies. Selected variations in function are shown by state in table B-1 of appendix B. Variations in function are summarized in table 2.

Figure 1. Rank of States, by public school enrollment: Fiscal year 1980

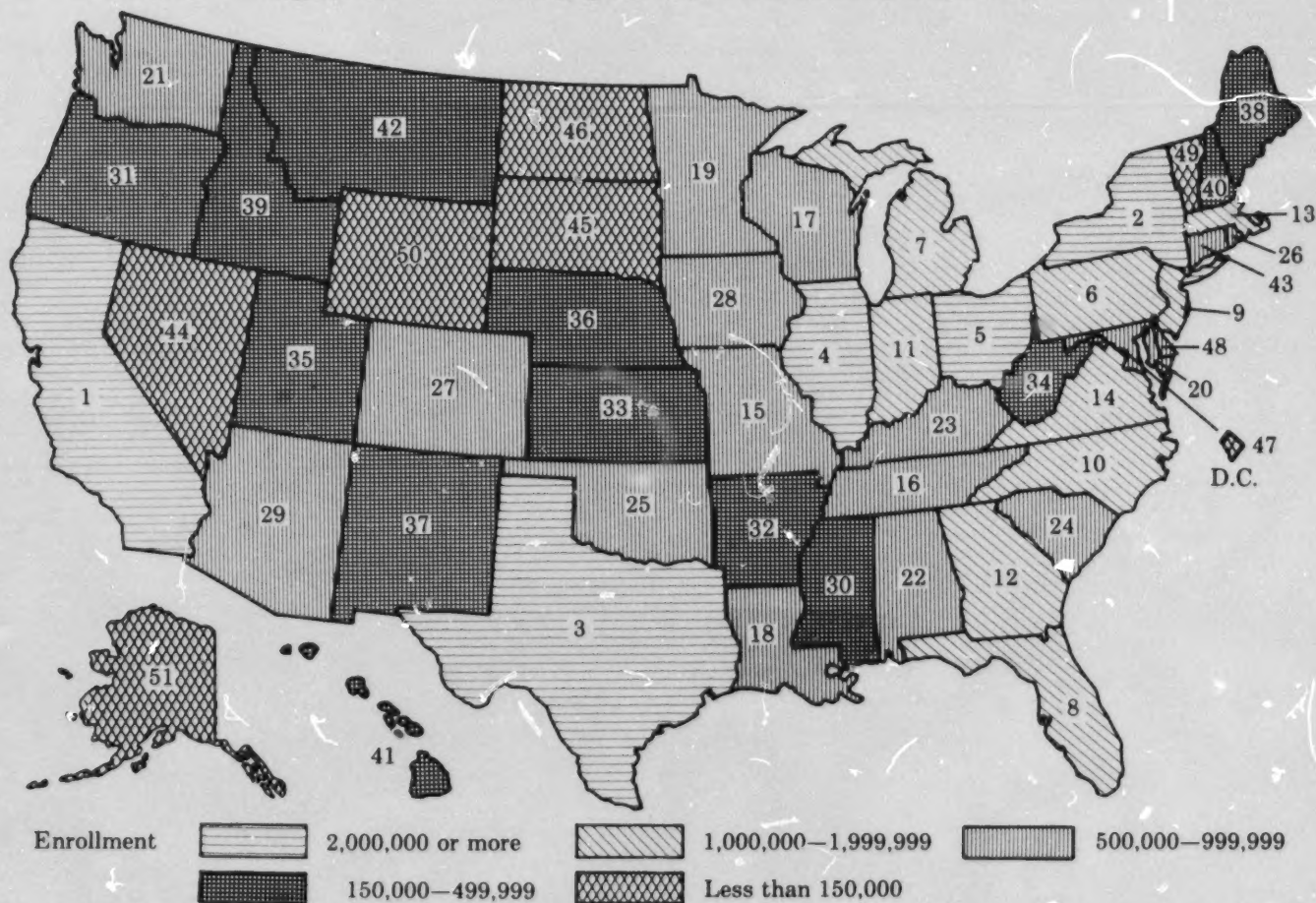


Table 2. Major functions of state education agencies: 48 contiguous States, fiscal year 1980

Function	Number of states	Percent of states
Services to local education agencies	48*	100
Operation of vocational education centers	13	27
Operation of centers for education of the handicapped	22	46
Operation of vocational rehabilitation services	16	33

*Alaska, the District of Columbia, and Hawaii are not included.

Revenue for State Education Agency Operations

Variations in revenue

Revenues for the operation of state education agencies (SEAs) which provide educational services to local education agencies (LEAs), operate vocational schools, manage vocational rehabilitation services, and implement other mandates of state codes, totaled approximately \$1.4 billion in fiscal year 1980. The revenues for these functions were pooled, but did not include "flow-through" monies distributed to LEAs by the SEA. Monies for capital outlay such as expenditures for the acquisition of land and buildings and/or construction of buildings for SEA operations were included in the revenues. Revenues allocated for the procurement of equipment such as SEA vehicles and, in several states, buses for student transportation services operated by the SEA, were included in the reported revenue.

Revenues, excluding revenues for vocational rehabilitation services, averaged \$28.14 per pupil in fiscal year 1980 (figure 2) and totaled approximately \$1.2 billion (figure 3).

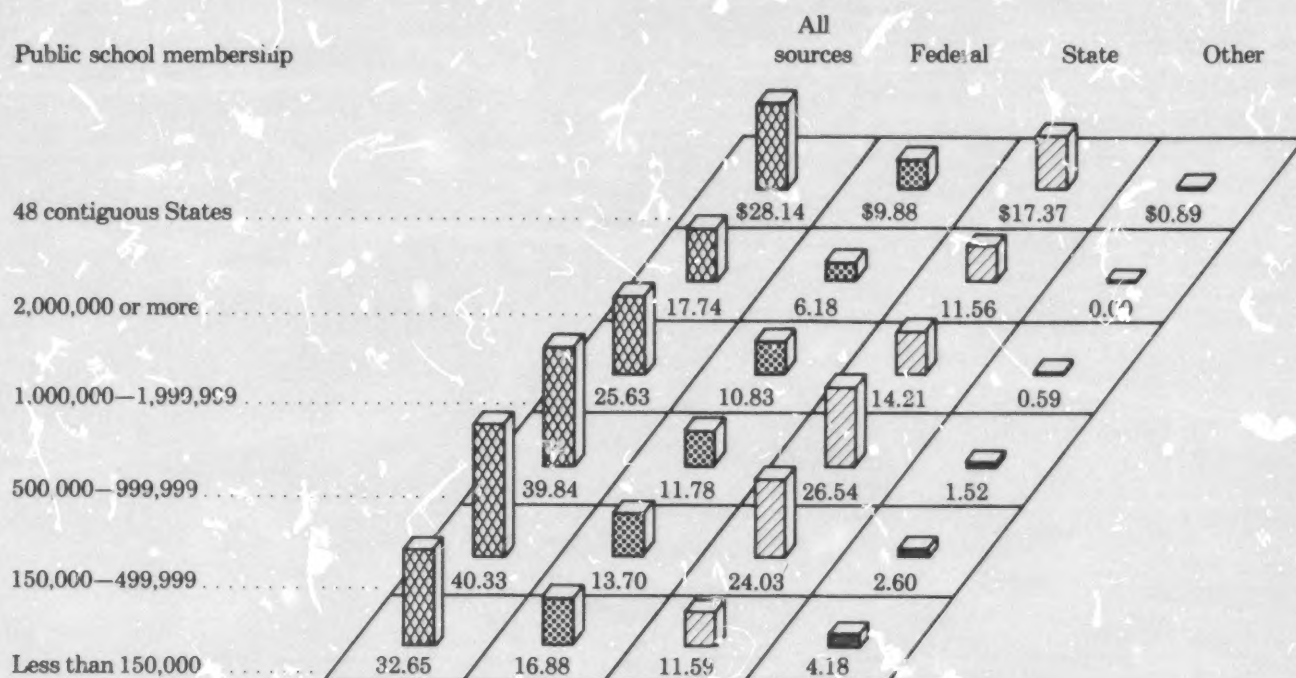
For purposes of analysis in this report, SEAs were grouped into five pupil membership categories as shown in figure 2. In states with a public school pupil membership of at least 2 million pupils, revenues for SEA operations averaged \$17.74 per pupil, and in states of 150,000 to 499,999 public school pupils, revenues averaged \$40.33 per pupil (figure 2). Revenues per pupil allocated to SEA services were inversely related to the public school membership except that states with 150,000 public school pupils or less had revenues of \$32.65 per pupil.

Sources of revenue

In 1980, excluding revenues for vocational rehabilitation services, SEAs revenues were approximately \$1.2 billion for agency operations. State sources provided 61.7 percent, Federal sources 35.1 percent, and other sources 3.2 percent of the revenues as shown in figure 3. Revenues from state sources averaged \$17.37 per pupil, Federal revenues averaged \$9.88 and other sources \$0.89 as shown in figure 2. Public school membership among states was inversely related to revenue per public school pupil for SEA operations from Federal and "other" sources. The largest states received an average of \$6.18 per pupil from Federal sources and the smallest states an average of \$16.88 per pupil (figure 2).

SEAs in states with 150,000 pupils or less received approximately 52 percent of their revenues for education agency operation from Federal sources while populous states with 2 million pupils or more received approximately 35 percent of revenues from Federal sources (table 3).

Figure 2. Revenue per pupil for state education agency operations: 48 contiguous States, fiscal year 1980



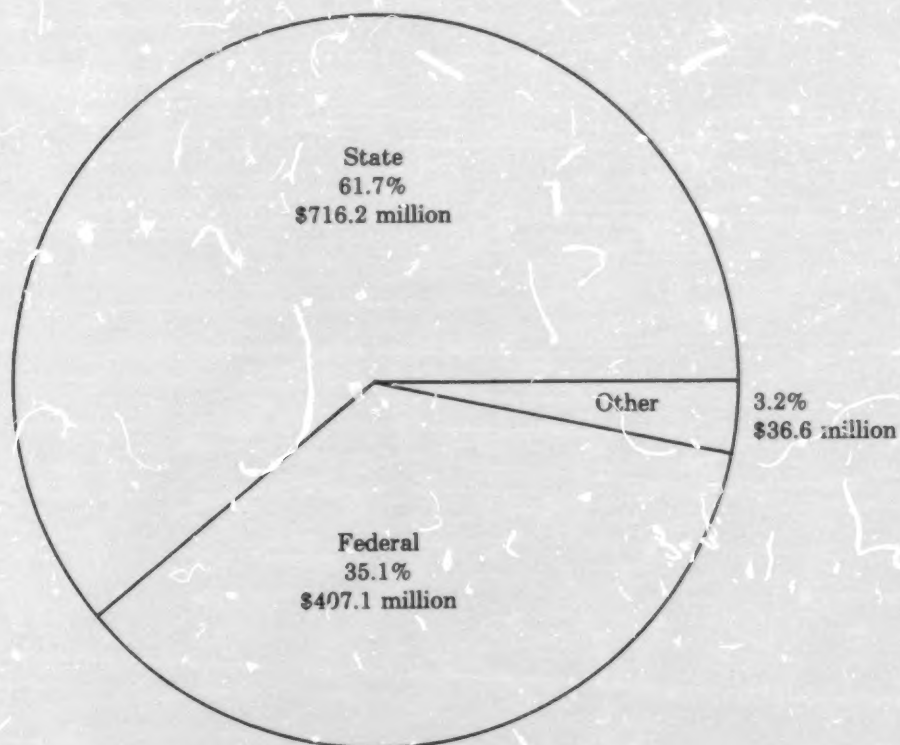
Note: Revenues which were allocated to vocational rehabilitation are not included.

Change in revenue

Revenues for SEA operations from fiscal year 1979 to 1980 increased 11.6 percent from all sources; while revenues from Federal sources increased 12.3 percent (table 4).

Revenue after adjustment for an increase of 13.3 percent in the Consumer Price Index, declined 1.5 percent from fiscal year 1979 to fiscal year 1980 (table 5). Within the same period, membership in the public schools declined approximately 960 thousand students, 2.3 percent of the public school membership in the 48 contiguous States. Revenues per pupil adjusted for change in the Consumer Price Index increased 0.9 percent.

Figure 3. Source of revenue for state education agency operations. 48 contiguous States, fiscal year 1980



Total revenue: \$1.160 million (vocational rehabilitation services were excluded)

**Table 3. State education agency revenue for operations, excluding vocational rehabilitation, by source:
48 contiguous States, fiscal year 1980**

States by public school membership	Number of states	All sources (thousands)	Percent			
			Total	Federal	State	Other
Total	48	\$1,159,827	100	35.1	61.7	3.2
2,000,000 or more	5	247,560	100	34.8	65.2	0
1,000,000 to 1,999,999	9	307,730	100	42.2	55.4	2.4
500,000 to 999,999	15	419,646	100	29.6	66.6	3.8
150,000 to 499,999	13	162,130	100	33.9	59.6	6.5
Less than 150,000	6	22,761	100	51.7	35.5	12.8

**Table 4. Change in revenue for state education agency operations, by source: 48 contiguous States,
fiscal years 1979 and 1980**

Source	Fiscal year 1979 (In thousands)	Fiscal year 1980 (In thousands)	Percent change
All sources	\$1,234,567	\$1,377,614	11.6
Federal	507,836	570,404	12.3
State	692,899	770,650	11.2
Other	33,832	36,560	8.1

Table 5. Change in state education agency revenues for operations after adjustment for increase in the Consumer Price Index: 48 contiguous States, fiscal years 1979 and 1980

Item	Revenue		Percent change
	1980	1979	
Revenue before Consumer Price Index adjustment (in thousands)	\$1,377,614	\$1,234,567	11.6
¹ Revenue after a 13.3 percent adjustment for annual change in the Consumer Price Index (in thousands)	\$1,377,614	\$1,398,764	-1.5
² Student membership, fall of fiscal year	41,215,276	42,174,836	-2.3
Revenue per student after adjustment for change in the Consumer Price Index	\$33.43	\$33.17	.9

¹Consumer Price Index conversion to school year by the National Center for Education Statistics from *Consumer Price Index, All Items*; Bureau of Labor Statistics, Washington, D.C., 1969.

²U.S. Department of Education, National Center for Education Statistics, *Statistics of Public Elementary and Secondary School Systems, Fall 1979*, Washington, D.C. 1980.

Expenditures of State Education Agencies

Financial and program issues

In fiscal years 1979 and 1980, state education agencies' (SEAs) operations were increasingly affected by rising energy costs and the effects of inflation. The Consumer Price Index rose 13.3 percent from July 1979 to July 1980. Pupil membership declined approximately one million, a decrease of 2.4 percent for the 48 contiguous States. Pupil membership changes within states ranged from increases of approximately one to three percent among four States, to decreases ranging up to six percent among the remaining 46 States.

Among the issues that affected SEA management decisions and competed for resources were: renewed interests in achieving academic excellence, increased public involvement in education decision making, implementing high school graduation based on competency, improved management for the mastery of basic skills, and the improvement of student discipline. For more details, see the annual reports of chief state school officers.

Expenditure per pupil by activity

Expenditures of SEAs are analyzed in this report within several areas of major activity, i.e., services to LEAs, the operation of schools, management services for vocational rehabilitation, and other (unclassified) services. The category, services to LEAs, accounted for 62.5 percent of all agency expenditures for operation (table 6), and based upon an expenditure criterion, was the major function in most SEAs.

Excluding Alaska, the District of Columbia, and Hawaii, 14 state education agencies reported operating vocational education centers and 22 reported operating special education centers as shown in table 2. Twenty-eight agencies reported operating either vocational education centers and/or special education centers. SEAs in 17 states reported expenditures for vocational rehabilitation services. Twenty-four agencies reported expenditures for other activities. Other activities were: those not classified as services to local education agencies, the operation of schools, or the provision of vocational rehabilitation services.

Expenditures per pupil for SEA operations including the operation of schools, services to LEAs, and vocational rehabilitation averaged \$32.00 per pupil in public school membership (figure 4).

States with at least 2 million public school pupils, expended an average of \$18.35 per pupil for all operations compared with an average of \$53.02 per pupil among states with 150,000 to 499,999 pupils in public schools. Average expenditures per pupil for SEA operations were inversely related to the pupil membership with the exception of average expenditures for pupils among states with less than 150,000 pupils. Those SEAs spent an average of \$26.36 per pupil in contrast to the average of \$32.27 for the 48 contiguous States.

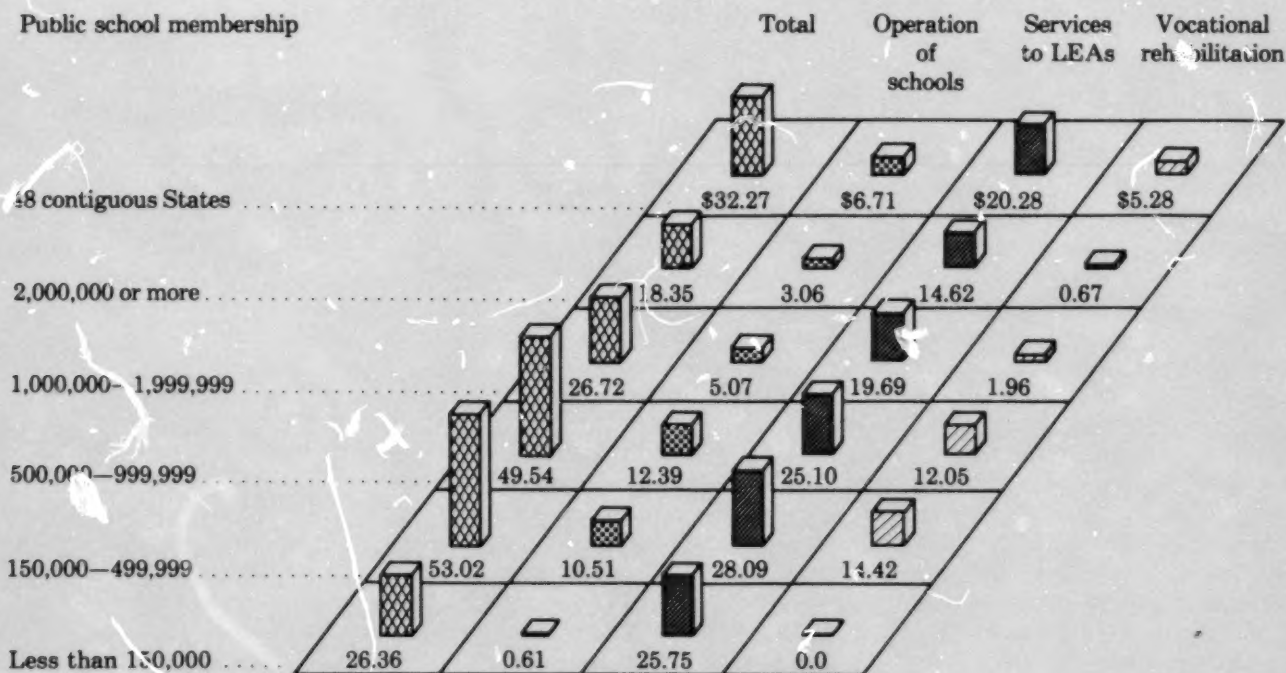
Expenditures for services to LEAs averaged \$20.28 per pupil and ranged from \$14.62 per pupil among states

with at least 2 million public school pupils to \$28.09 per pupil among states with 150,000 to 499,999 public school pupils.

Table 6. Proportion of expenditures for operation of state education agencies, by activity: 48 contiguous States, fiscal year 1980

Activity	Percent of expenditures
Total	100.0
Services to local education agencies including unclassified services	62.8
Operation of schools	20.8
Vocational rehabilitation	16.4

Figure 4. State education agency expenditures per pupil for services: 48 contiguous States, fiscal year 1980



Change in expenditures: Fiscal 1979 to fiscal 1980

Expenditures of SEAs for operations, including services to LEAs, the operation of schools, vocational rehabilitation services, and other services not specifically classified, increased 11.9 percent from fiscal year 1979 to fiscal year 1980 (table 7).

After adjusting for the Consumer Price Index rise of 13.3 percent from the 1979 to 1980 fiscal year, expenditures for the operation of SEAs decreased 1.2 percent. Expenditures for services to LEAs declined 2.1 percent, vocational rehabilitation declined 6.0 percent, and expenditures for the operation of schools increased 5.9 percent. These changes do not include an adjustment for change in pupil membership.

Table 7. Expenditures of state education agencies for operations, by function: 48 contiguous States, fiscal years 1979 and 1980

Function	Fiscal year (In thousands)			Change (In thousands)		Percent Change	
	1979		1980				
	Actual	Adjusted ¹	Actual	Actual	Adjusted	Actual	Adjusted
Total	\$1,188,309	\$1,346,355	\$1,330,135	\$141,826	\$16,220	11.9	-1.2
Services to local education agencies ²	753,157	853,327	835,746	82,589	-17,581	11.0	-2.1
Operation of schools	230,606	261,277	276,602	45,996	15,325	19.9	5.9
Vocational rehabilitation	204,546	231,751	217,787	13,241	-13,964	6.5	-6.0

¹ Adjusted to reflect the 13.3 percent Consumer Price Index change from fiscal year 1979 to fiscal year 1980.

² Services to local education agencies included the functions: general management; internal services; planning, research, development, and evaluation; consultative services; distribution of resources; approval of programs, and other employees unclassified by function.

Change in expenditures per pupil for services primarily to local education agencies

From fiscal year 1979 to fiscal year 1980, SEA expenditures per pupil for services to LEAs increased 13.7 percent (see table 8). By membership category, change in expenditures per pupil ranged from an increase of 15.7 percent in the largest states to an increase of 10.7 percent in the category of second largest states.

Expenditures per pupil, when adjusted for the Consumer Price Index increase of 13.3 percent from fiscal year 1979 to fiscal year 1980, increased approximately \$0.07 per pupil.

Table 8. Changes in state education agency expenditures per pupil for services to local education agencies: 48 contiguous States, fiscal years 1979 and 1980

Public school membership	Number of state education agencies	October membership in public schools		Expenditures for services primarily to local education agencies				Percent of change FY 1979 to FY 1980	
		1978	1979	FY 1979		FY 1980		Operation	Per pupil expenditure
				(In thousands)	Per pupil	(In thousands)	Per pupil		
Total	48	42,226,440	41,214,844	\$753,157	\$17.84	\$835,746	\$20.28	11.0	13.7
2,000,000 or more	5	14,351,703	13,957,980	218,764	12.64	204,031	14.62	12.5	15.7
1,000,000 to 1,999,999 ..	9	12,396,123	12,004,913	234,194	17.78	236,400	19.69	8.1	10.7
500,000 to 999,999	15	10,761,899	10,532,287	102,253	21.76	264,363	25.10	12.9	15.3
150,000 to 499,999	13	4,093,531	4,022,524	16,341	25.05	113,001	28.09	10.5	12.1
Less than 150,000	6	713,184	697,140	753,157	22.77	17,931	25.75	10.5	13.1

Note: Public school membership in grades pre-school through twelve decreased 1.01 million students, 2.4 percent, October 1979 to October 1980. The Consumer Price Index rose 13.3 percent from July 1979 through June 1980.

Source: U.S. Department of Education, National Center for Education Statistics, *Statistics of Public Elementary and Secondary School Systems, Fall 1979, and Fall 1979*.

Consumer Price Index—A National Center for Education Statistics conversion of the monthly price index developed by the Bureau of Labor Statistics, U.S. Department of Commerce.

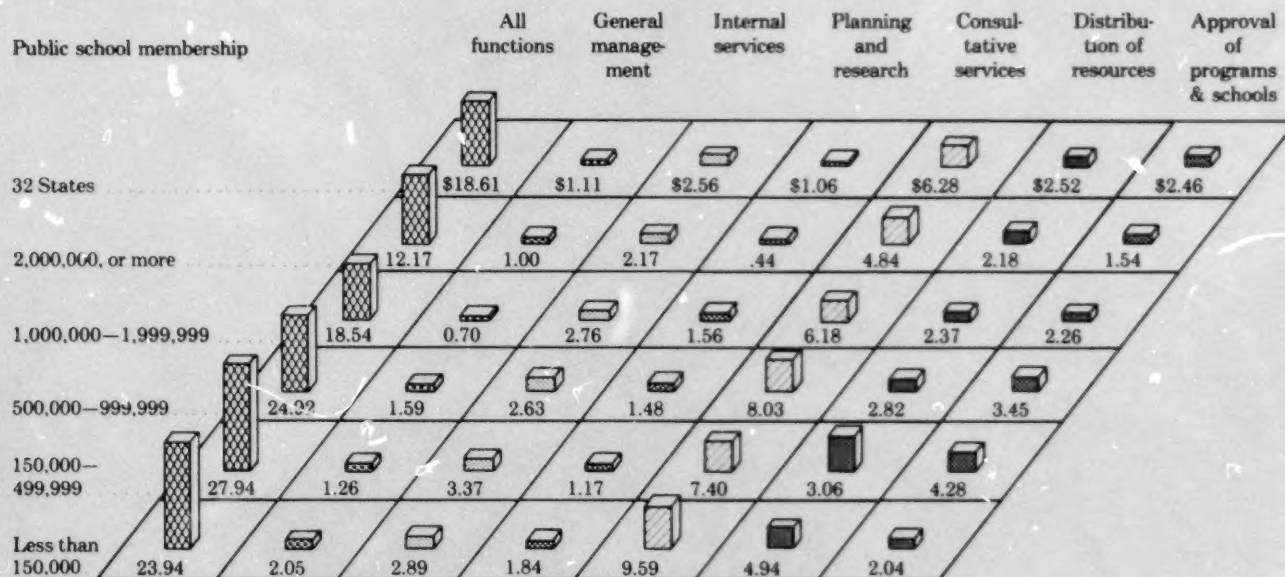
Expenditures for services to local education agencies by function

Expenditures of SEAs for services to LEAs were classified within function as general management, internal services, planning and research, consultative services, distribution of resources, and approval of programs and schools. This group of functions are collectively referred to in this report as services to LEAs. SEA functions, such as, internal services, general management, and/or the distribution of resources included a minor fraction of commingled expenditures for services to the operation of schools and vocational rehabilitation.

Expenditures for the operation of schools and the management of vocational rehabilitation services together constituted 37.2 percent of fiscal 1980 SEA expenditures for operations. In several states SEA or LEA expenditures for vocational rehabilitation and/or the operation of schools were at least 75 percent of expenditures for SEA operations.

¹The State Education Agency: A Handbook of Standard Terminology and a Guide for Recording and Reporting Information about State Education Agencies, U.S. Office of Education, National Center for Education Statistics, Washington, D.C., U.S. Government Printing Office, S/N 1780-0822.

Figure 5. State education agencies expenditures per pupil and function for services provided primarily to local education agencies: 32 States, fiscal year 1980



The functions shown on this figure do not equal the total because from \$2.60 per pupil to \$7.39 per pupil was commingled among functions and reported as "other" expenditures.

Consultative services accounted for 33.7 percent of the expenditures for services to LEAs (table 9) and \$6.28 per pupil in membership (figure 5). Expenditures per pupil were greater for consultative services than for any of the other services provided to LEAs and were inversely related to SEA pupil membership.

Expenditures for consultative services averaged \$4.84 per pupil in SEAs with 2 million or more pupils increasing to \$9.59 per pupil in SEAs with less than 150,000 pupils (figure 5). Sparsely populated states and some states with small geographic areas expend more per pupil for consultative services which include those activities that diffuse methods, procedures, and practices for the implementation and or improvement of education.

Expenditures per pupil for the approval of programs and the distribution of resources, averaged at least 40 percent greater in SEAs with 150,000 to 499,999 pupils in membership than in SEAs with 2 million or more pupils in membership.

Expenditures per pupil for the approval of programs and the distribution of resources, averaged at least 40 percent greater in SEAs with 150,000 to 499,999 pupils in membership than in SEAs with 2 million or more pupils in membership.

Other expenditures, those expenditures not attributed to a specific function, accounted for 14.0 percent of expenditures for services primarily to LEAs. Expenditures which were commingled with several functions and for which attribution by function was difficult, constituted the expenditures classified in the category, "other".

Table 9. Percent of state education agency expenditures attributed to services provided primarily for local education agencies: 32 States, fiscal year 1980

Public school membership	Number of States	Total dollars (In thousands)	Total percent	General management	Internal services	Planning and research	Consultative services	Distribution of resources	Approval of programs & schools	Other unclassified ¹
Total	32	\$518,675	100	6.0	13.8	5.7	33.7	13.6	13.2	14.0
2,000,000 or more	4	133,714	100	8.2	17.8	3.6	39.7	17.9	12.7	0
1,000,000 to 1,999,999	5	127,608	100	3.8	14.9	8.4	33.3	12.8	12.2	14.6
500,000 to 999,999	10	165,676	100	6.4	10.6	6.0	32.2	11.3	13.8	19.7
150,000 to 499,999	9	79,630	100	4.5	12.1	4.2	26.5	11.0	15.3	26.4
Less than 150,000	4	12,047	100	8.6	12.1	7.7	40.1	20.6	8.5	2.4

¹"Other" includes those expenditures which were not differentiated as to function.

State Education Agency Employees

State education employees for operations: Fiscal 1980

In 1980, state education agencies (SEAs) employed approximately 47,000 persons at an average expenditure of \$17,875 per employee for salaries and benefits. Expenditures for salaries and benefits ranged from an average of \$16,557 per employee among states with pupil membership of 500,000 to 999,999 to an average of \$19,607 among states with 1,000,000 to 1,999,999 pupils (table 10).

Approximately 27,300 or 58 percent of the SEA employees provided services which were primarily for LEAs, 25 percent of the employees provided management services for the direct operation of schools, and 17 percent of the employees provided management services for vocational rehabilitation.

Twenty-four SEAs allocated personnel to the operation of schools, and 16 agencies allocated personnel to vocational rehabilitation.

Expenditures for salaries and benefits of employees for services to LEAs averaged \$19,606 per employee and the averages ranged from \$18,543 among states with 500,000 to 999,999 pupils to \$20,366 for employees among states with 1,000,000 to 1,999,999 pupils.

Table 10. State education agency employees and expenditures for employees, by public school membership category: 48 contiguous States, fiscal year 1980

Public school membership	Services to local education agencies ¹		Operation of schools		Vocational rehabilitation		Total all functions	
	Number of employees	Expenditure per employee	Number of employees	Expenditure per employee	Number of employees	Expenditure per employee	Number of employees	Expenditure per employee
Total	27,303	\$19,606	11,850	\$15,381	7,818	\$15,706	46,971	\$17,875
2,000,000 or more	6,646	20,108	1,382	20,166	730	12,773	8,758	19,505
1,000,000 to 1,999,999	7,782	20,366	1,949	16,433	1,091	19,753	10,822	19,607
500,000 to 999,999	9,044	18,543	7,205	14,346	4,270	16,080	20,519	16,557
150,000 to 499,999	3,172	19,724	1,296	14,383	1,727	13,467	6,195	16,889
Less than 150,000	659	19,607	18	16,733	0	0	677	19,531

¹Services to LEAs include the functions of general management, internal services, planning and research, consultative services, distribution of resources, approval of programs and schools, and other employees unclassified by function.

Employees increase in number

From fiscal 1979 to fiscal 1980, the number of SEA employees providing services primarily to LEAs increased approximately 1.6 percent. The average number of SEA employees decreased approximately 1.1 percent in states with less than 1,000,000 pupils in membership (table 11).

Concurrent with the 1979 to 1980 decrease in pupil membership in most states, the average number of employees per 100,000 pupils increased from 63.64 to 66.25, (a 4.1 percent increase). In fiscal year 1980, SEAs with 150,000 to 499,999 pupils averaged 78.84 employees per 100,000 pupils, a static condition.

Table 11. State education agency employees whose primary function was to provide services to local education agencies: 48 contiguous States, fiscal years 1979 and 1980

Public school membership	Number of States	Pupil membership fall 1979 (In thousands)	Number of employees		Percent change	Employees per 100,000 students		Percent change
			FY 1979	FY 1980		FY 1979	FY 1980	
Total	48	¹ 41,215	26,873	27,303	1.6	63.64	66.25	4.1
2,000,000 or more	5	13,958	6,418	6,646	3.6	44.71	47.60	6.5
1,000,000 to 1,999,999 ...	9	12,005	7,444	7,782	4.5	60.49	64.83	7.2
500,000 to 999,000	15	10,532	9,114	9,044	-0.8	84.68	85.87	1.4
150,000 to 499,999	13	388	3,230	3,172	-1.9	78.90	78.84	.0
Less than 150,000	6	697	667	659	-1.2	93.54	94.54	1.0

¹Membership reported in October 1978 is shown in table 8.

NOTE: Services to LEAs included general management, internal services, planning and research, consultation services, distribution of resources, approval of programs and schools, and other unclassified by function.

The total number of SEA employees including the functions, operation of schools, and management of vocational rehabilitation services were in fiscal year 1979—46,483 and in fiscal year 1980—46,971.

State education agencies employees performing services primarily for local education agencies

The functions of employees which provide services primarily for LEAs include general management, internal services, planning and research, consultative services, distribution of resources, approval of programs and schools,

and other unclassified activities. Operation of schools and management of vocational rehabilitation services, employee functions which occurred in less than half the SEAs and were not services to LEAs, were not included in this summary.

There were 46,971 employees in all functions as summarized in Table 10, including 27,303 employees for services exclusive of vocational rehabilitation and the operation of schools (table 12). Approximately 60 percent or 16,482 employees were represented in the tabulation of employees by function; the remaining 10,821 employees were in 16 states which did not attribute at least one or more employees to each of the six functions shown in table 12.

Table 12. Employees of state education agencies performing services primarily for local education agencies, by function: 48 contiguous States, fiscal year 1980

Public school membership	Number of States	Total employees 48 States	Employees per function for 32 reporting states													
			General management		Internal services		Planning and research		Consultative services		Distribution of resources		Approval of programs & schools		Other unclassified	
			Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total	48	27,303	1,000	6.1	2,710	16.4	890	5.4	5,307	32.2	2,198	13.3	3,060	18.6	1,317	8.0
2,000,000 or more	5	6,646	364	8.6	779	18.3	178	4.2	1,291	30.4	762	17.9	874	20.6	0	0
1,000,000 to 1,999,999	9	7,782	169	4.0	793	18.5	295	6.9	1,542	36.1	481	11.3	592	13.9	393	9.2
500,000 to 999,999	15	9,044	343	6.2	762	13.8	258	4.7	1,682	30.4	653	11.8	1,036	18.7	800	14.4
150,000 to 499,999	13	3,172	98	4.9	326	16.2	122	6.1	606	30.1	233	11.6	514	25.6	112	5.6
Less than 150,000	6	659	26	6.1	50	11.8	37	8.7	186	43.9	69	16.3	44	10.4	12	2.8

NOTE: Approximately 60.4 percent or 16,482 of the SEA employees for services to LEAs were enumerated within the seven functions in this table and formed the basis of the percentages reported. SEAs which distributed one or more persons in each of the seven functions were included in the percentage computations of employees.

The allocation of personnel providing services primarily for LEAs by functions was as follows:

General management. Approximately 6.1 percent of the employees were allocated to general management functions. State agencies with 2,000,000 or more pupils averaged 8.6 percent and those with 1,000,000 to 1,999,999 pupils allocated an average of 4.0 percent of employees to management.

Internal services. Approximately 16.4 percent of the employees were allocated to internal services. A higher percentage of employees, 18.6 percent in state agencies with 1,000,000 to 1,999,999 pupils and 18.3 percent in state agencies with 2,000,000 or more pupils, was allocated in state agencies with large pupil enrollments.

Planning and research. Approximately 5.4 percent of state agency employees for service primarily to LEAs were allocated to planning and research. States with lower pupil membership allocated a larger proportion of employees to this service; 6.1 percent of employees in agencies with 150,000 to 499,999 pupils, and 8.7 percent of employees in state agencies with less than 150,000 pupils. As the primary source of educational planning, development, and evaluation; there is a small task force employed which averages 5.4 percent of the SEA personnel and constitutes approximately 1,470 professional and support personnel, or 28 employees per state planning, evaluation, and research staff.

Consultative services. Approximately 32.2 percent of SEA employees were allocated to consultative services, ranking this function as the primary function of LEAs. The average number of employees allocated to consultative services ranged from approximately 30.1 percent in state agencies with 150,000 to 499,999 pupils and those with 2 million pupils or more to 43.9 percent of employees in state agencies with less than 150,000 pupils.

Distribution of resources. Approximately 13.3 percent of employees were allocated to the distribution of resources. Averages among the groups of states ranged from 11.3 percent to 16.3 percent.

Approval of programs. Approximately 18.6 percent of SEA personnel were allocated to the approval of programs. The range of the percent of employees allocated was from 10.4 percent among state agencies with less than 150,000 pupils to 25.6 percent in state agencies with 150,000 to 499,999 pupils.

Other unclassified functions. Approximately 8.0 percent of SEA employees were not classified within the seven functions of services primarily to LEAs, vocational rehabilitation services, or the operation of schools. The unclassified employees included employees with multiple attributed functions, functions considered extraneous to the listed categories, and employees for whom classification data were not readily available in the SEA record system.

Appendix A

Methodology

Terminology

State education agency (SEA) data and terminology utilized in this report were defined by the National Center for Education Statistics with the support and guidance of the Council of Chief State School Officers and of representatives from the states. Guidelines and definitions were published in *The State Education Agency, A Handbook of Standard Terminology and a Guide for Recording and Reporting Information About State Education Agencies*.¹

Function of SEAs.

The major functions of SEAs, common to each agency, were grouped and labeled, "Services to Local Education Agencies". This group of functions included the categories: (1) General management; (2) Internal services; (3) Planning, research, development, and evaluation; (4) Consultative services; (5) Distribution of resources; and (6) Approval of programs and schools.

Categories of functions which were not found in all states and on which data were collected included (1) the Operation of schools and (2) Vocational rehabilitation services.

Missing Data

Data on SEA operations including revenues, expenditures (except monies passed on to local education and other agencies), and personnel were collected in fiscal years 1979 and 1980. The number of states responding to the survey of state education operations in 1979 and 1980 is shown in table A.

Imputations. All data for 1979 were imputed for five states: Florida, Maine, New Hampshire, Texas and Vermont. The computed ratio of mean change from 1979 to 1980 for SEAs with similar student membership was used to estimate 1979 data from the 1980 data which were available at the time of the report.

¹State Education Records and Reports Series, Handbook VII; National Center for Education Statistics, No. 1780-0822, U.S. Government Printing Office, Washington, D.C.

Table A. Number of state education agencies reporting data for operations: Fiscal years 1979 and 1980

Survey category	Fiscal year	
	1979	1980
Revenues, expenditures, and personnel	44	49
Services to local education agencies by function	32	32

Appendix B

Limitations

Services to LEAs

Thirty-two states attributed some expenditures and personnel to each of the six functions of services for local education agencies (LEAs). Several of the remaining states attributed data to most but not all of the functions. Table B-1 shows the data for the 32 states attributing expenditures and personnel to each of the services to LEAs. Agencies included in the analysis were distributed among states grouped by public school membership as follows:

Table B-1. Number of states reporting expenditures and personnel, by function: Fiscal year 1980

Public school membership	Number of States in group	Number reporting by function	Percent reporting
Total	48	32	67
2,000,000 or more	5	4	80
1,000,000 to 1,999,999	9	5	56
500,000 to 999,999	15	10	67
150,000 to 499,999	13	9	69
Less than 150,000	6	4	66

Note: Data for Alaska, the District of Columbia, and Hawaii were not included.

The missing data on functions of SEAs were distributed across the strata of states by public school membership and the response rate among the states grouped by membership ranged from 56 percent to 80 percent; therefore, it was assumed that the means of each group were useable for decision making.

Elementary/secondary education and postsecondary education. Fifty percent of the states distributed expenditures between the general categories, elementary/secondary education and postsecondary education. Attributions of

these expenditures within elementary/secondary or postsecondary to more specific functions, e.g., general management were not reported.

Revenue and expenditure reconciliation. Reported revenues exceeded reported expenditures. Revenues included funds allocated to expenditures in a previous or subsequent fiscal year. Reported expenditures included only current fiscal year allocations and by definition expenditures for operations did not include capital outlay, but revenues included capital outlay.

Variations in functions. SEAs varied in the degree of shared responsibilities with other agencies responsible for special services, public library services, public health services, and employment.

SEAs also varied in public school membership from approximately 4,047,500 pupils in California to 95,500 pupils in Wyoming. The number of LEAs within SEAs ranged from one in Hawaii to 1,089 in Nebraska. Sixteen state education agencies operated vocational education centers, 24 operated special education centers, and 18 operated vocational rehabilitation services. The public school membership and variations in operations of state education agencies are shown in Table B-2.

Table B-2. Selected indices of variation in operations of state education agencies: 50 States and D.C., fiscal year 1980

State	Student membership October 1979	Rank of States by pupil membership	Number of LEA districts ¹	Vocational education centers	Centers for education of handicapped	Vocational rehabilitation services
Total 50 States & D.C.	41,578,233	—	15,918	² 16	² 24	18
Alabama	764,181	22	127			X
Alaska	88,573	51	52	1		X
Arizona	509,252	29	229		NA	
Arkansas	453,125	32	370	20		
California	4,047,550	1	1,036			
Colorado	550,527	27	181	⁴ NA	NA	
Connecticut	566,634	26	165	17		X
Delaware	104,035	48	16			
District of Columbia	106,156	47	1	NA	NA	X
Florida	1,508,337	8	67			X
Georgia	1,078,462	12	187	2	3	
Hawaii	168,660	41	1	NA	NA	
Idaho	202,758	39	115			
Illinois	2,043,239	4	1,012			
Indiana	1,083,826	11	305			
Iowa	548,317	28	443		2	X
Kansas	422,924	33	307			X
Kentucky	667,123	23	181	84	10	X
Louisiana	800,435	18	66	53	NA	X
Maine	277,823	38	283	NA	NA	X
Maryland	777,725	20	24	(³)		X
Massachusetts	1,035,724	13	403		11	
Michigan	1,860,498	7	575		3	X
Minnesota	778,056	19	437		2	
Mississippi	482,039	30	153			X
Missouri	872,933	15	551		58	X
Montana	158,206	42	568			
Nebraska	287,288	36	1,089		3	X
Nevada	147,734	44	17			
New Hampshire	170,546	40	168	NA	NA	X
New Jersey	1,287,809	9	606	NA	NA	
New Mexico	275,572	37	88			X
New York	2,969,216	2	721		2	X
North Carolina	1,115,053	10	144			
North Dakota	117,688	46	335			
Ohio	2,025,256	5	615			
Oklahoma	583,458	25	619			
Oregon	467,128	31	311		2	
Pennsylvania	1,968,801	6	504		NA	
Rhode Island	154,098	43	40	1	1	
South Carolina	624,795	24	92			
South Dakota	133,840	45	196			
Tennessee	866,117	16	147	1	2	⁴ X
Texas	2,872,719	3	1,076			
Utah	333,049	35	40			X
Vermont	98,338	49	273			
Virginia	1,031,403	14	139			
Washington	764,879	21	300			
West Virginia	387,966	34	55		1	
Wisconsin	857,855	17	433		2	
Wyoming	95,505	50	49	NA	NA	

X means services were provided in these states.

NA means the number of centers was not available in these states.

¹Includes operating and non-operating districts.

²The number of states reporting one or more schools and/or expenditures for the operation of schools.

³Operated an education program for misdemeanants.

⁴Also reported a preparatory school.

Appendix C

Glossary

Expenditures—current charges incurred for operation of a state education agency (SEA). Flow-through monies distributed to intermediate and local education agencies (LEAs) and capital outlays were excluded from the expenditures for operation of state education agencies.

Functions of State Education Agency Operations—eight categories of activities of state education agencies are as follows:

General management—activities which have as their purpose the general regulations, direction, and control of the services of a state department of education. These activities are department-wide and may include the chief executive, public relations, legislation, liaison, staff development, and other general management activities.

Internal services—services provided to general management and other operational units of the state education agency. These support services are department-wide and include fiscal, personnel, legal, and legislative services, property management, management information, data processing, and other management services.

Planning, research, development, and evaluation—activities which have as their primary purpose (1) identifying needs, determining purposes, and making decisions regarding the means by which desired outcomes may be obtained, (2) making inquiries, (3) demonstrating promising innovation, and (4) making assessments and objective measurements of processes and products.

Consultative services—activities which have as their purposes the continuous diffusion of methods, procedures, and practices essential to the maintenance and improvement of preschool through postsecondary school instruction, school psychological services, school social work and administrative services.

Distribution of resources—activities which have as their purpose the allocation and distribution of financial resources, material resources, and services to local and intermediate education agencies and other agencies as provided by law. These activities include the allocation and distribution of materials, and the distribution of services not included in other state education agency functions.

Approval of programs and schools—activities which have as their purpose the monitoring and maintenance of standards. These activities include teacher education improvement, school accreditation, and licensing of personnel and institutions.

Other—Any function or service provided by the state department of education which cannot be classified in one of the six functions.

Operation of schools—activities which have as their purpose the direct control and support of schools. Schools operated by the state education agency are independent of local education agency control and may include schools for the handicapped, vocational or technical education, correction of anti-social behavior, adult education and other schools operated by the state education agency.

Vocational Rehabilitation Services—activities which have as their purpose the determination of the extent of disability and the preparation of disabled persons for remunerative employment through diagnosis, guidance, physical restoration training, and placement.

Membership—the sum of students absent and students present as of a specified enumeration date. In this report, the date of enumeration was approximately October 1 and an absentee was counted only if he/she could reasonably be expected to participate in continuous instructional activities after a limited period of absenteeism.

Revenue for state education agency operations—assets accruing from appropriations, levies, general or categorical grants, payments from other state agencies, interests, gifts, bequests, loans, fees, bond sales, rents and sales used for operation of the state education agency. "Flow-through" assets distributed to local or intermediate education agencies were excluded. Revenues were categorized by source as follows:

Revenue from state sources—appropriations, categorical grants, unrestricted grants, and payments from other state agencies used for state education agency operations; excluding distributions to local and intermediate education agencies.

Revenue from Federal sources—general support grants and categorical grants for state education agency operations, excluding "flow-through" Federal grants distributed to local and intermediate education agencies.

Revenue from other sources—proceeds from interest on investments, rentals, the sale of fixed assets, gifts, bequests, loans, fees, and the sale of bonds used for state education agency operations.

Appendix D

DEPARTMENT OF EDUCATION
NATIONAL CENTER FOR EDUCATION STATISTICS
WASHINGTON, D.C. 20202

FORM APPROVED
O.M.B. NO. 1850-0067
EXPIRATION DATE: 6/83

DUE DATE:

COMMON CORE OF DATA - PART VII. STATE EDUCATION AGENCY REPORT

This report is authorized by law (20 U.S.C. 1221e-1). While you are not required to respond, your cooperation is needed to make the results of this survey comprehensive, accurate, and timely.

Name of state	Name of person preparing this report	Telephone number

INSTRUCTIONS

Data requested on this report pertain only to the operations of the state education agency. Only those staff members on the payroll of the agency should be reported. Only those revenues received for the operations of the agency should be reported. Only those expenditures for the operations of the agency, including contracted services to support agency operations and programs should be reported.

Do not include any revenues that merely pass through the agency in the form of grants or apportionments to other agencies.

If, however, the agency acquires property (e.g., school buses) and turns such property over to other agencies, revenues and expenditures for such transactions should be included. If the agency operates schools (e.g., for the handicapped), the staff on the agency payroll and other expenditures should be included. If such schools are operated by contract, expenditures for contracted services should be included.

I. Revenues received for agency operations in FY 1981 from:

- A. State and local government sources \$ _____
- B. Federal sources, excluding "flow-thru" money _____
- C. Other, nongovernmental sources, e.g., gifts, trust funds .. _____

II. Capital outlay expenditures made for agency operations for:

- A. Land acquisition and improvements thereto _____
- B. Building construction and acquisition _____
- C. Equipment, including vehicles \$ _____

The agency functions listed below are taken from the NCES Handbook VII and are not intended to reflect the organizational pattern of any state education agency. The organizational units within an agency, however, perform one or more of these functions. It is suggested that in preparing this segment of the report, each organizational unit be assigned to the appropriate function or functions it performs and the staff and expenditure data be compiled accordingly.

If the agency also has responsibility for postsecondary education in the state, the employee and expenditure data should be prorated between the two levels of education and enter on lines K and L respectively. Note that adult education is to be included within elementary secondary education.

III. Full-time equivalent number of employees on the agency payroll during the pay period including October 1, 1979.

Agency function/service	REPORT TO THE NEAREST TENTH	
	Professional	Non-professional
A. General management		
B. Internal services		
C. Planning, research, development, & evaluation		
D. Consultative services		
E. Distribution of resources		
F. Approval of programs & schools		
G. Operation of schools		
H. Vocational rehabilitation services		
I. Other, not included above		
J. TOTAL (A thru I)		
Distribution to:		
K. Elementary/secondary education		
L. Postsecondary education		

IV. Expenditures made by the state education agency for agency operations during FY 1980

Agency function/service	Salaries & Benefits	Other
A. General management	\$	\$
B. Internal services		
C. Planning, research, development, & evaluation		
D. Consultative services		
E. Distribution of resources		
F. Approval of programs & schools		
G. Operation of schools		
H. Vocational rehabilitation services		
I. Other, not included above		
J. TOTAL (A thru I)		
Distribution to:		
K. Elementary/secondary education		
L. Postsecondary education	\$	\$

*If the agency merely passes funds to some other agency to operate schools, do not include such funds as expenditures. If the agency operates schools either directly or by contract, be sure to include direct and contracted services expenditures.

Indexbook VII References:

Ref. No.	Function/service
03.01 00 00	General management
03.05 00 00	Internal services
03.02 00 00	Planning, research, development, & evaluation
03.02 00 00	Consultative services
03.04 00 00	Distribution of resources
03.06 00 00	Approval of programs & schools (except 03.06 03 00 & 02.06 02 12)
03.06 03 00	Operation of schools
03.06 02 12	Vocational rehabilitation services
03.99 00 00	Other functions

V. List of state education agency operated schools

Name of school	Street address	City, State, ZIP	Type	Membership
01				
02				
03				
04				
05				
06				
07				
08				
09				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

Type of school codes:

- 1 - ELEMENTARY
- 2 - MIDDLE
- 3 - SECONDARY
- 4 - COMBINED ELEMENTARY/SECONDARY
- 5 - SPECIAL EDUCATION - HANDICAPPED
- 6 - VOCATIONAL/TECHNICAL
- 7 - ALTERNATIVE

MAIL THIS FORM TO:

NCES/DESES/ISB
Federal Office Building No. 6
400 Maryland Avenue, SW
Washington, D.C. 20002